

Polish National System of e-Invoices to change

The Polish Ministry of Finance has announced the commencement of work on amendments to a draft act that will introduce the mandatory National e-Invoicing System (KSeF). This is the follow-up of the public consultation on this draft.

THE PUBLIC CONSULTATION RESULT

At the end of January, an extensive public consultation of the project to introduce the mandatory KSeF in Poland ended. As a result of the dialogue with the market, represented i.a. by entrepreneurs, accountants and auditors, many comments and suggestions were made. The Ministry of Finance has decided to include a large portion of those. Among the most important amendments is the one that will postpone the effective date of the mandatory KSeF – it is to be July 1, 2024, instead of the original January 1 next year.

What other market requests does the Ministry of Finance plan to include in this draft? There are quite a few of them and they are important, especially in terms of business practice. In addition to the aforementioned postponement of the date of entry of the mandatory KSeF into force, the deadline for VAT-exempt taxpayers to implement the KSeF is also to be postponed. This group of entrepreneurs is also to be given additional six months and the KSeF is to be mandatory for them as of January 1, 2025.

There will also be some changes in the classification of sales documents. Consumer invoices (B2C) will not be subject to the KSeF. Tickets that serve the function of an invoice (including receipts on toll highways) are also to be excluded from the KSeF. Cash register invoices and simplified invoices will be able to be issued in their current form until December 31, 2024.

There will be an important change in the case where the taxpayer will not be able to document sales through the ministerial system, such as due to a technical failure on the part of the taxpayer. It will be then possible to issue invoices offline outside the KSeF and submit the invoice to the KSeF the day after it was issued offline.

The last change the ministry plans to introduce in the draft relates to the liberalization of sanctions and their application not sooner than from January 1, 2025.

WHAT EXACTLY IS KSEF?

As you may recall, the National e-Invoice System (KSeF) is an ICT system for issuing, receiving and storing structured invoices. As of January 1, 2022, the KSeF can be used by taxpayers voluntarily alongside other forms of documenting sales, that is, alongside traditional and electronic invoices.

From the inception of the KSeF, the Ministry of Finance wanted to make it mandatory for business. For this to happen, however, the relevant EU bodies

had to agree, as VAT is a harmonized tax within the Union.

Such approval was given by the Council of the European Union, allowing the introduction of the mandatory KSeF in Poland as of January 1, 2024.

MINISTRY OF FINANCE PRAISES ITS SYSTEM

The Ministry of Finance has been promoting the benefits of using the KSeF right from the start. This is natural, as the transition of all businesses to this system is yet another step to tighten the tax system and supervision by tax authorities with respect to VAT, among other things. According to the MF: "The implementation of the KSeF will allow for the optimization of invoicing processes, document workflow and the invoicing systems used by businesses."

The documents in the KSeF will be in a structured form, which means, among other things, a uniform format and design for these documents. This will allow for greater automation of the documenting of the sales process and archiving the documents.

The MF assures that the KSeF will allow for faster document processing, which reduces the cost of doing business. In addition, taxpayers using the KSeF will have real-time information from invoices, which can be useful e.g. for business management.

Using the KSeF also means faster VAT refunds, with the time for refund shortened from 60 to 40 days. There is also no need to generate JPK_FA files. The archiving of invoices also takes place in the KSeF and the documents will be stored there for 10 years.

This document has been prepared for information purposes only and covers general nature. Before taking any action based on the above information, we recommend that you obtain a valid opinion of TPA experts.

CONTACT US



Lukasz Korbas

Partner

Accounting & Payroll Outsourcing

TPA Poland

lukasz.korbas@tpa-group.pl

TPA is a leading international consulting group, offering comprehensive business advisory services in 12 countries of Central and Southeastern Europe.

In Poland, TPA is one of the largest consulting companies. We provide international corporations and large domestic companies with effective business solutions in terms of tax advisory, accounting and payroll outsourcing, real estate advisory and personnel consulting, as well as audit and business advisory services under the **Baker Tilly TPA** brand. Legal services, provided under the **Baker Tilly Legal Poland** brand, have been a natural addition to our interdisciplinary services.

TPA Poland, Baker Tilly TPA, and Baker Tilly Legal Poland are the exclusive representatives of **Baker Tilly International** in Poland – one of the largest global networks of independent consulting companies.

As a member of Baker Tilly International, we combine the advantages of integrated, interdisciplinary "one-stop-shop" services with local expertise and global reach of the advisory group.

www.tpa-group.pl | www.bakertilly.pl



Stay updated >>> [subscribe to our newsletter!](#)